

State of Alaska FY2010 Governor's Operating Budget

Department of Environmental Conservation Contaminated Sites Program Component Budget Summary

Component: Contaminated Sites Program

Contribution to Department's Mission

Protect public health and the environment by identifying, overseeing and conducting the cleanup, redevelopment, and management of contaminated sites in Alaska.

Core Services

- Identify, assess, rank, prioritize, and track all contaminated sites in Alaska.
- Oversee the cleanup and long term monitoring of contaminated sites in Alaska.
- Conduct cleanups of highest-priority state-owned, privately owned, and orphan sites using a risk based approach.
- Manage cleanup and provide regulatory oversight for military, federal agency, private party and State owned contaminated sites.
- Provide regulatory oversight, technical assistance, and policy development to Department of Defense and Federal Civilian Agencies on environmental cleanup activities.
- Negotiate with responsible parties, private or federal, for funding agreements to provide effective cleanup of contaminated sites.
- Manage conditionally closed contaminated sites to ensure risk is appropriately controlled over time.
- Provide technical assistance to responsible parties of contaminated sites.

End Result	Strategies to Achieve End Result
A: Contaminated sites are restored for reuse. <u>Target #1:</u> Restore 300 contaminated sites for use each fiscal year. <u>Status #1:</u> 312 contaminated sites were restored for reuse in FY 2008.	A1: Risk from contaminated sites is reduced. <u>Target #1:</u> Reduce historical contamination each year. <u>Status #1:</u> There are 2,422 existing contaminated sites with approximately 11,500 open or potentially open exposure pathways.

Major Activities to Advance Strategies
<ul style="list-style-type: none"> • Provide regulatory oversight and management of contaminated sites to facilitate closures. • Conduct cleanups of state owned and orphan sites. • Manage institutional controls at sites to limit risk to public health and the environment.

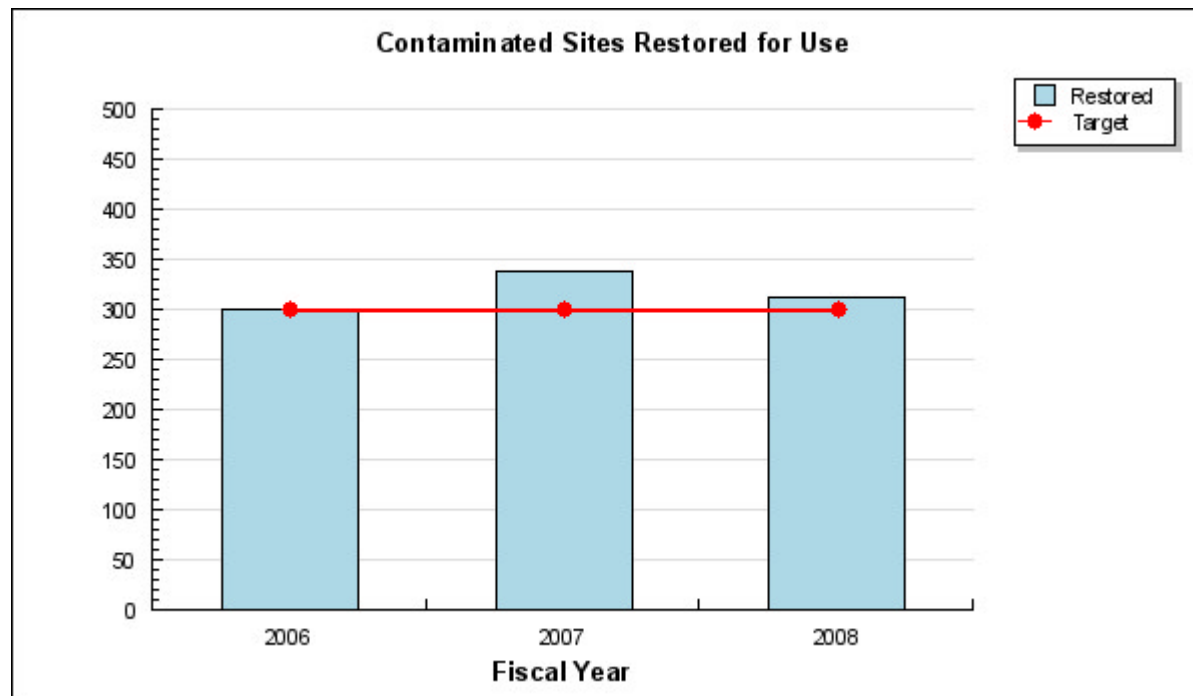
FY2010 Resources Allocated to Achieve Results		
FY2010 Component Budget: \$7,274,300	Personnel:	
	Full time	65
	Part time	0
	Total	65

Performance

A: Result - Contaminated sites are restored for reuse.

Target #1: Restore 300 contaminated sites for use each fiscal year.

Status #1: 312 contaminated sites were restored for reuse in FY 2008.



Methodology: Total Restored per year combines those where cleanup is complete as well as those with institutional controls.

Analysis of results and challenges: Contaminated sites are properties where spills of oil or hazardous substances occurred in the past or where new spills cannot be quickly cleaned up by Spill Prevention and Response's (SPAR) Prevention and Emergency Response Program. Much of the contamination addressed by the CSP is underground and extremely difficult and expensive to completely remove from the environment. Therefore, the Contaminated Sites Program (CSP) utilizes a risk-based approach that sets regulatory cleanup standards based on the potential threat to human health and the environment. When cleanup to regulatory standards is not practical, controls such as land-use restrictions or monitoring of contaminants (known as institutional controls or ICs) are used to prevent exposure until contamination naturally breaks down in the environment. When the CSP determines that active cleanup is complete at a site it issues a Cleanup Complete determination that indicates the property is restored for use.

In FY 2008, the CSP set a target of restoring 300 contaminated sites for use. This target is based on a review of the number of sites restored in each previous year and taking into consideration current resources and staffing levels. We were able to meet this goal by issuing Cleanup Complete determinations for 312 sites (141 Cleanup Complete & 171 Cleanup Complete with ICs). As of June 30, 2008, 4,076 or 63% of the 6,498 known contaminated sites have been restored for use.

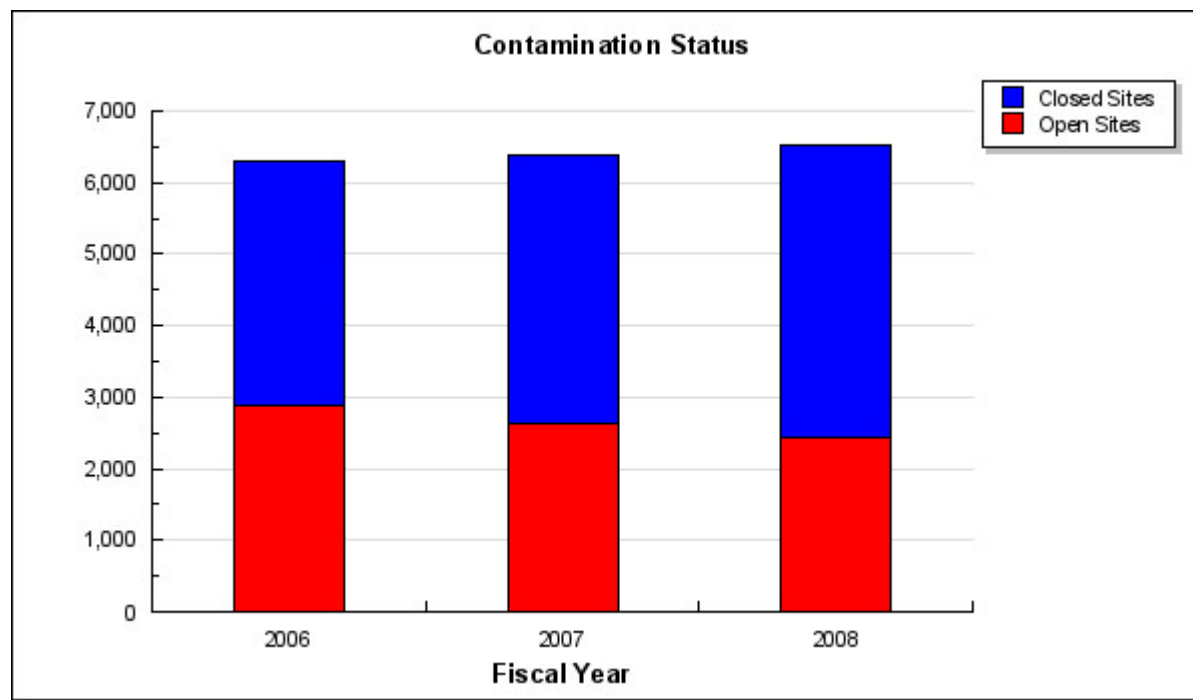
One of the challenges faced by the CSP is that approximately 150 historic sites are discovered each year and added to the inventory of known contaminated sites, making it difficult to achieve our end goal of restoring all contaminated sites for use. Fortunately, this challenge has been offset by the success of the SPAR Prevention and Emergency Response Program in cleaning up new spills.

For more details on the CSP, please visit our website at <http://www.dec.state.ak.us/spar/csp/index.htm>.

A1: Strategy - Risk from contaminated sites is reduced.

Target #1: Reduce historical contamination each year.

Status #1: There are 2,422 existing contaminated sites with approximately 11,500 open or potentially open exposure pathways.



Methodology: The number of known contaminated sites and the number of contaminated sites closed out with no further action required are cumulative figures.

Analysis of results and challenges: Alaska has many sites that have been contaminated with oil or hazardous substances. The total number of known contaminated sites at the end of FY 2008 was 6,521, representing an increase of 133 sites since July 1, 2007. The total number of closures during the same period was 312 sites, meaning that the percentage of closed sites relative to the total site universe continues to increase (currently approximately 63%). This percentage will continue to fluctuate annually depending on the number of newly discovered historical sites and spill sites transferred from the Spill Response Program, the complexity of existing projects and associated closures, and the level of resources available to provide regulatory oversight or conduct cleanup.

Key Component Challenges

Cleanup of contaminated sites from state owned facilities is conducted by the Contaminated Site Program through a memorandum of agreement (MOA) between the Department of Environmental Conservation and the Departments of Transportation & Public Facilities, Natural Resources, Fish & Game, Corrections, and Education & Early Development. A key challenge during FY 2009 is to re-execute the MOA and update and validate the list of state owned contaminated sites with each owner agency. This will include an update of the risk posed and cost estimates to complete cleanup at each site. This information will be used to project budget needs and time frames to address state owned contamination. Prioritization and scheduling of site work will also consider non risk factors, economies of scale, individual agency priorities, planned construction, maintenance or other factors.

Contaminated Sites is also evaluating the adequacy of hydrocarbon cleanup standards and is conducting a workgroup process to determine if and how the current levels need to be changed to provide sufficient protection for public health and the environment.

Significant Changes in Results to be Delivered in FY2010

None.

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Major Component Accomplishments in 2008

- Performed regulatory oversight, assessment, clean up, monitoring or closure activities at 2,902 contaminated sites throughout the state.
- Reduced risk to human health and the environment by cleaning up contaminated sites and closing or issuing conditional closure letters for 312 historical sites.
- Performed initial site review and risk evaluation for 179 newly discovered contaminated historical sites.
- Completed scoring of contaminated sites based on an Exposure Tracking Model which assigns a numeric ranking based on the risk to human health and the environment.
- Conducted a remedial investigation, risk assessment and feasibility study for the Anchorage Terminal Reserve and Alaska Railroad Corporation (ARRC) owned property at the Port of Anchorage, including Flint Hills, Tesoro and Chevron bulk fuel farms, to identify and characterize areas of concern that might impact Ship Creek and Cook Inlet.
- Conducted oversight of remediation work at the Fort Wainwright-Taku Gardens subdivision for assessment and removal of polychlorinated biphenyls (PCBs), dioxin/furans; volatile and semi-volatile organics; heavy metals; chlorinated pesticides, herbicides and solvents; and petroleum.
- Conducted review and oversight of solid waste removal by the Air Force, US Army Corps of Engineers and FAA at landfills at Oliktok, Bullen Point, Barter Island, Point Lonely, Cape Yakataga, Kogru and Nuvagapak.
- Conducted review and oversight of cleanup activities, excavation, and sampling, at Wrangell Institute to remove diesel-range organics concentrations in excess of cleanup levels and initiated long-term monitoring of the groundwater.
- Completed reuse of the former Fort Greely Delta North Tank Farm site in Delta Junction for redevelopment as an expanded tourist facility highlighting the "End of the Alaska Highway."
- Redeveloped a former tank farm site to be reused by the City of Kobuk for a new backup generator.
- Evaluated contaminant conditions in Noyes Slough, a 5-mile highly valued and impaired water body running through Fairbanks, as part of a waterway revitalization project.
- Continued to monitor and evaluate risks associated with several groundwater chlorinated solvent plumes in the Fairbanks area at 6-Mile Richardson Highway, Gaffney Road, Wendell Avenue and Peger Road.
- Continued to monitor contamination levels and carry out groundwater treatment by use of Hydrogen Release Compound (HRC) at the River Terrace RV Park site on the Kenai River in Soldotna.
- Revised regulations at 18 AAC 75.341 and 18 AAC.75.345 regarding oil and hazardous substance cleanup levels for soil and groundwater to reflect current science.
- Completed assessment and cleanup of all 23 orphan sites on the North Slope and removed about 1600 abandoned barrels discovered under the terms of the Charter Agreement.
- Conducted research regarding the significance and potential for vapor intrusion from contaminated sites into buildings.
- Completed nine presentations at the Alaska Forum on the Environment related to site closure, regulation changes, cooperative Brownfield efforts, coastal erosion of landfills, monitoring at the Amchitka Island Nuclear Test Site, and several technical issues helpful to consultants.

Statutory and Regulatory Authority

AS 46.03, AS 46.04, AS 46.08, AS 46.09, 18 AAC 75, 18 AAC 78.

Contact Information

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Contaminated Sites Program Component Financial Summary

All dollars shown in thousands

	FY2008 Actuals	FY2009 Management Plan	FY2010 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	5,291.3	5,854.7	5,940.5
72000 Travel	217.2	278.1	278.1
73000 Services	1,645.1	1,000.9	1,000.9
74000 Commodities	96.5	48.8	48.8
75000 Capital Outlay	0.0	6.0	6.0
77000 Grants, Benefits	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	7,250.1	7,188.5	7,274.3
Funding Sources:			
1002 Federal Receipts	2,792.7	3,690.4	3,718.1
1004 General Fund Receipts	0.0	619.3	623.2
1007 Inter-Agency Receipts	42.3	85.9	86.9
1052 Oil/Hazardous Response Fund	4,229.6	2,792.9	2,846.1
1061 Capital Improvement Project Receipts	185.5	0.0	0.0
Funding Totals	7,250.1	7,188.5	7,274.3

Estimated Revenue Collections

Description	Master Revenue Account	FY2008 Actuals	FY2009 Management Plan	FY2010 Governor
Unrestricted Revenues				
Oil Hazardous Response Fund	51370	4,229.6	2,792.9	2,846.1
Unrestricted Fund	68515	0.0	619.3	623.2
Unrestricted Total		4,229.6	3,412.2	3,469.3
Restricted Revenues				
Federal Receipts	51010	2,792.7	3,690.4	3,718.1
Interagency Receipts	51015	42.3	85.9	86.9
Capital Improvement Project Receipts	51200	185.5	0.0	0.0
Restricted Total		3,020.5	3,776.3	3,805.0
Total Estimated Revenues		7,250.1	7,188.5	7,274.3

**Summary of Component Budget Changes
From FY2009 Management Plan to FY2010 Governor**

All dollars shown in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2009 Management Plan	619.3	3,690.4	2,878.8	7,188.5
Adjustments which will continue current level of service:				
-Correct Unrealizable Fund Sources in the Salary Adjustment for the Existing Bargaining Unit Agreements	0.0	-11.9	11.9	0.0
-FY2010 Wage and Health Insurance Increases for Bargaining Units with Existing Agreements	3.9	39.6	42.3	85.8
FY2010 Governor	623.2	3,718.1	2,933.0	7,274.3

**Contaminated Sites Program
Personal Services Information**

Authorized Positions			Personal Services Costs	
	<u>FY2009</u> <u>Management</u> <u>Plan</u>	<u>FY2010</u> <u>Governor</u>		
Full-time	65	65	Annual Salaries	3,957,759
Part-time	0	0	COLA	158,909
Nonpermanent	0	0	Premium Pay	13,544
			Annual Benefits	2,045,156
			<i>Less 3.80% Vacancy Factor</i>	(234,868)
			Lump Sum Premium Pay	0
Totals	65	65	Total Personal Services	5,940,500

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accountant III	1	0	0	0	1
Accounting Tech I	1	0	0	0	1
Accounting Tech II	0	0	1	0	1
Administrative Clerk II	1	0	1	0	2
Administrative Clerk III	2	2	1	0	5
Analyst/Programmer II	0	0	1	0	1
Analyst/Programmer IV	1	0	1	0	2
Env Eng Associate I	1	1	0	0	2
Environ Engineer I	0	0	0	1	1
Environ Program Manager I	3	1	1	0	5
Environ Program Manager II	1	1	1	0	3
Environ Program Manager III	0	1	0	0	1
Environ Program Spec I	2	1	0	0	3
Environ Program Spec II	0	0	1	0	1
Environ Program Spec III	9	8	4	2	23
Environ Program Spec IV	6	2	0	0	8
Environ Program Technician	0	1	0	1	2
Internet Specialist I	0	0	1	0	1
Prog Coordinator	0	0	1	0	1
Project Coord	0	0	1	0	1
Totals	28	18	15	4	65